

DAVID Y. IGE
GOVERNOR



CURT T. OTAGURO
COMPTROLLER
AUDREY HIDANO
DEPUTY COMPTROLLER

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
CURT T. OTAGURO, STATE COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEE ON
CULTURE, ARTS AND INTERNATIONAL AFFAIRS

WEDNESDAY, FEBRUARY 17, 2021, 10:00 A.M.
CONFERENCE ROOM 329 VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 1193

RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE STATE.

Chair Gates, Vice Chair LoPresti, and Members of the Committee, thank you for the opportunity to testify on H.B. 1193.

The Department of Accounting and General Services (DAGS) supports and offers the following comments:

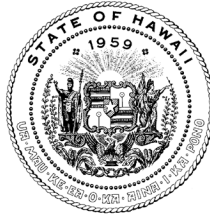
1. The current archives facility was designed 70 years ago. Based on current archival practice and public access needs, this facility is severely outdated in form and function.
2. The facility is capable of storing approximately 14,000 cu ft of records which is at 94% capacity. At the current rate of growth of approximately 200 cu ft of records per year, the State Archives will reach capacity in less than five years; after that time, it will no longer be able to execute on its Legislative mandate to collect, arrange, describe and make accessible the Public Archives of the State of Hawai'i.

3. The Public Research Room is limited in the number of patrons it can accommodate, diminishing its utility classroom activities at the high school and university levels.
4. The electrical grid within the facility cannot accommodate the preservation of the millions of electronic records being created.
5. There are no provisions to display more than a few of the over 1000 artifacts the State Archives holds in the Public Trust. These artifacts are among the most important objects in Hawai'i's rich and diverse history, and includes: The Buke Mahele, Royal Hawaiian seals, flags from all of Hawai'i's Governments, moon rocks from Apollo 11 and 17, and numerous treaties and documents signed by Foreign Heads of State.
6. Space limitations severely impinge upon the ability of the State Archives to conduct educational and outreach efforts to the public and school groups while simultaneously serving patrons conducting archival research.
7. Physical space constraints are also impacting the staff through a lack of facilities to conduct proper archival processing and conservation of the materials; and limiting our ability to engage more volunteers to assist staff, thereby reducing the number of possible records that could be made available to the public. With additional physical space to harness the additional resource of volunteers and interns, it would save the archives expending the funds necessary to hire additional staff to execute on our mandate.
8. The space constraints of the Public Archives also greatly hinders its ability to collect the archives of the many diverse subgroups within the various communities of Hawai'i that have added to our shared history and culture. As such, archives that document the contributions and struggles of aging, under-represented, and marginalized segments of the community are lost; and with these losses, so are the collective memories of a people that these records document.

9. The COVID-19 pandemic has greatly disrupted the public's ability to travel, resulting in reduced access to their history and documentary heritage, up to and including a complete inability to conduct research. This impairment has highlighted the need to place more of these unique and irreplaceable records online for free, unfettered public access twenty-four hours a day, seven days a week from anywhere in the world. As a vast majority of the most important records exist only in paper format, this requires mass digitization of fragile documents. The current facility cannot provide the needed space, power or technological capabilities to grow the digitization infrastructure needed to provide large scale access to records protecting the public's rights, identity, property and history.

Thank you for the opportunity to submit testimony on this matter

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
CULTURE, ARTS & INTERNATIONAL AFFAIRS

Wednesday, February 17, 2021
10:00 AM

State Capitol, Via Videoconference, Conference Room 329

In consideration of
HOUSE BILL 1193
RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE STATE

House Bill 11193 proposes to appropriate funds for capital improvement projects (CIP) relating to the State Archives and 'Iolani Palace. **The Department of Land and Natural Resources (Department) supports funding cost elements for 'Iolani Palace State Monument and offers the following comments.**

The Department executed a 25-year general lease with the Friends of 'Iolani Palace (Friends) to manage and operate 'Iolani Palace, 'Iolani Palace Barracks (Hale Koa) and the Coronation Pavilion. The Department's Division of State Parks (State Parks) regulates and manages the various special use activities and events of the adjacent four quadrants that comprise the grounds surrounding the buildings. State Parks also administers and executes capital improvement projects (CIP) for the buildings and appurtenant structures. The Department of Accounting and General Services performs all of the grounds and tree maintenance functions and manages the parking areas surrounding the Palace.

'Iolani Palace was constructed in 1879 and is now 142 years old. Electric lights were installed at the Palace in 1887, sometime before their introduction at the White House or Buckingham Palace. Additionally, King Kalakaua's royal residence also featured running water, flush toilets and a phone in the upstairs library. These are significant and striking examples of the unique characteristics and age of this iconic and emblematic building for the State of Hawai'i. In 2000 only portions of the roof were repaired, but now 21 years later, due to increasing decay and leakage during rain (threatening the integrity of various antiquities) the roof and various other architecture elements are deteriorating and need to be renovated and repaired.

The Department makes the following recommendations for capital improvement projects:

1. Iolani Palace, Roof repair and Improvements – Construction \$1,000,000

The roof has not been subject to any repairs since around 2010, and is in dire need of repairs due to decay and leakage. After the last major storm event the leakage has expanded to other areas within the Palace and threatens the integrity of the exhibits.

2. Iolani Palace, Pergolas and Fountain – Plan, Design, Construction \$ 200,000

The Pergolas

These are the two shelters with concrete pillars made from palm tree molds supporting shade plants with benches underneath.

These unique features appear on a 1930 map of the grounds so they are at least 90 years old. They may have been built at the same time as the fountain as part of the grounds beautification project in the early 1920s. The concrete pillars are spalling and the reinforced rebar is exposed and rusting – so in addition to losing historic resources – safety is jeopardized. The pergola’s have been closed to the public for several years.

The Fountain

This feature was built sometime around 1920 or 1921 as part of the grounds beautification project. It was built at the site of an artesian well completed in 1883. The last major repair of the fountain was in 1984 and it has subsequently been shut down and needs repairs.

3. There are other CIP projects that the Friends have indicated need to be addressed such as:

Palace Windows and Entry Doors – refinish and paint	\$ 80,000
Kanaina Doors – replace	\$ 75,000
Palace Etched Windows – repair/replace	\$ 85,000
Palace Sconces – repair/rewire	\$ 125,000
Palace Locks – removed/replace/repair – 2 dz	\$ 120,000

The Department is in strong support of any appropriation if it does not adversely affect the priorities indicated in the Executive Budget.

Thank you for the opportunity to comment on this measure.

Hawai'i Arts Alliance

February 14, 2021



*Affiliated with the
Wolf Trap Institute for Early
Childhood Arts Integration*

*State Captain –
Americans for the Arts*

*Member of State Arts
Advocacy Network*

Rep. Gates, Chair
House Committee on Culture, Art, and International Affairs

Re: Support of HB1193 RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE STATE

Dear Chair Gates and members of the committee,

Thank you for the opportunity to submit testimony on HB1193. The Hawaii Arts Alliance SUPPORTS HB1193.

Iolani Palace and the State Archives are institutions that preserve the cultural and intellectual property from the Hawaiian Kingdom to today. As such, they must be supported with appropriations to help maintain their facilities and provide access for the public for research, programs, and exhibits that shed light on Hawai'i's history.

'Iolani Palace is a cultural and historical icon of the Hawaiian Kingdom and remains one of the most important historic buildings that creates a sense of place for the Hawaiian community. It is listed as a National Historic Landmark and on the National Register of Historic Places (#6600029). It is the only palace built by King Kalākaua (1879-1882). As a historic building, the integrity of the buildings and grounds must be maintained.

Located on the 'Iolani Palace grounds, are Kekauluohi Building, which holds the archival documents from the Hawaiian Kingdom, and the Kana'ina Building, now know as the "old archive." The State Archives is one of the gems for researchers who serch the holdings for geneology, history, and photos. These primary sources need to be digitized for better remote access and preservation for future generations.

Appropriating funds to supprt both institutions that so deeply connected is imperative. They are part of Hawai'i cultural and intellectual property and must be cared for in perpetuity.

Mahalo for the opportunity to submit testimony,

Teri Skillman
Executive Director

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HB-1193

Submitted on: 2/15/2021 5:38:55 PM

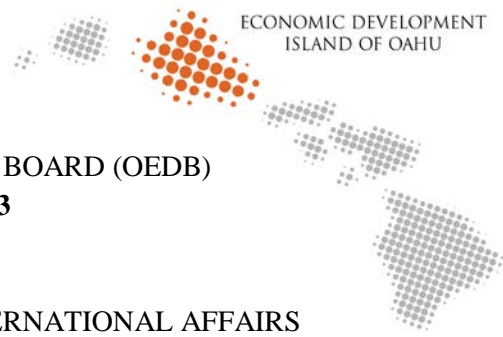
Testimony for CAI on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Kennedy	Friends of 'Iolani Palace	Support	No

Comments:

I am Richard Kennedy, Ph.D. resident of Makiki, retired Smithsonian curator, and member of the board of Friends of 'Iolani Palace. I strongly support HB1193 which would fund capital improvement projects for Iolani Palace.

'Iolani Palace is a National Historic landmark. It's historical and cultural importance to Hawai'i is central. The Palace is nearly 140 years old and there is much in need of repair. The building requires immediate support for work on the roof and the HVAC system that regulates the temperature and humidity, vital to the protection of the objects inside the Palace. The Friends of 'Iolani Palace has the lease to preserve, maintain and operate the Palace. The organization has been devastated by the current pandemic. This bill would give them the funding necessary to continue the admirable task of protecting this extraordinary building



Testimony of the
OAHU ECONOMIC DEVELOPMENT BOARD (OEDB)
In Support of HB 1193
Relating to Taxation

COMMITTEE ON CULTURE, ARTS, & INTERNATIONAL AFFAIRS
Rep. Cedric Asuega Gates, Chair
Rep. Matthew S. LoPresti, Vice Chair

Wednesday, February 17, 2021
10:00 A.M.
VIA VIDEOCONFERENCE
Conference Room 329
State Capitol
415 South Beretania Street

Aloha Culture, Arts and International Affairs Committee Chairman Gates and Vice Chairman Lopresti,

Iolani Palace is a State Asset (Owned building) that is cared for by the Friends of Iolani Palace. As a State Asset we appreciate that the State Legislature is looking at options to support the much needed maintenance and care to continue to have the Palace be a resource now and into the future.

The significant financial resources to care for the Palace in the past several decades have come primarily from Ticket and Gift shop sales, private contributions and fundraising efforts of the Friends of Iolani Palace, as well as project based grants. As all businesses the pandemic has revealed how vulnerable Iolani Palace is thru the dependency on tourism and at the same time how so many in Hawaii have a love for the Palace. Truly a wahipana.

As a wahipana for our residents and a significant destination for our visitors it does make absolute sense and we are grateful that the State Legislature is proposing HB1193 to utilize bonds to fund CIP for Iolani Palace. I strongly support HB1193.

Mahalo, Pono Shim

Mahalo,

Pono Shim
CEO, Oahu Economic Development Board
Chairman, Friends of Iolani Palace



HB-1193

Submitted on: 2/16/2021 9:20:54 AM

Testimony for CAI on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mark T. Shklov	The Friends of Iolani Palace	Support	No

Comments:

Testimony of Mark T. Shklov in Support of House Bill 1193

My name is Mark T. Shklov.

I am a Hawaii Lawyer and a Member of The Board of Directors of The Friends of Iolani Palace.

The Friends of Iolani Palace is the non-profit corporation whose Purpose is “to preserve, restore, interpret, share and celebrate the unique cultural, historical, and spiritual qualities of Iolani Palace and its grounds for the benefit of and to serve Native Hawaiians, the People of Hawaii, and the World”.

I strongly support House Bill 1193.

Iolani Palace is the iconic representation of Hawaii’s Culture and Aloha for all people. Iolani Palace has been designated The State of Hawaii Museum of Monarchy History and a National Historic Landmark.

The Friends of Iolani Palace depend on money raised from ticket and gift shop sales, donations, and events to pay for its operations and to maintain this very special place. Due to the effects of COVID-19 on Hawaii, there are not enough funds to provide necessary repairs of Iolani Palace.

Iolani Palace is nearly 140 years old and there are many areas in need of repair. The roof is just one of the critical issues. Iolani Palace also needs work on the HVAC system that regulates the temperature and humidity, which is vital to the protection of the irreplaceable cultural objects kept within the Palace.

House Bill 1193 would utilize bonds to fund capital improvement projects, which would provide needed repairs, for Iolani Palace.

If Iolani Palace is properly preserved, restored, and protected, it can provide hope and inspiration to Hawaii’s people into the future. Iolani Palace is a unique asset that will

continue contributing to the people of Hawaii and the world if it is appreciated and cared for.

Mahalo,

Mark T. Shklov



IOLANI PALACE

Post Office Box 2259 Honolulu, HI 96804-2259 Telephone (808) 522-0822 FAX (808) 532-1051

**Testimony of
PAULA AKANA
Executive Director**

**Before the House Committee on
Culture, Arts and International Affairs**

**Wednesday, February 17, 2021
10:00 AM
State Capitol, Conference Room 329 via video conference**

**In Consideration of
HOUSE BILL 1193
RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR IOLANI PALACE**

Chair Gates, Vice Chair LoPresti and Committee members:

Aloha, my name is Paula Akana. I am the Executive Director of The Friends of Iolani Palace

The Friends of Iolani Palace strongly supports HB 1193.

We are a non-profit 501 C3 organization. We hold a long term lease with DLNR to preserve, protect and manage Iolani Palace, the Coronation Pavilion, the Barracks and Kanaina Building (the Old Archives Building).

Iolani Palace is the State of Hawaii Museum of Monarchy History. The only royal residence on U.S. soil, it is registered as a National Historic Landmark. It also sits on 11 acres of State Park land. This bill would provide funds to make repairs that are critical to the survival of this historic property.

Our revenues come from ticket and gift shop sales, memberships and donations. When the pandemic hit last March, we closed for a total of nearly four months. We were forced to cut salaries and terminate nearly half of our staff. While we are currently open, due to government restrictions, we are operating at less than 20% capacity.

Throughout all of this, the HVAC air system continues to run 24/7 to protect the objects. Our electricity bill averages \$14,000 a month. We continue to pay nearly \$10,000 a month to maintain those systems. We also continue to provide security 24/7 for the buildings and the gates. We are running a monthly deficit of between \$60,000 to \$100,000. We have no money available if anything big breaks.

The Palace is nearly 140 years old. The roof leaks. It's estimated to cost about 1 million dollars to repair it. We have submitted an application for the National Park Service's Saving America's Treasures Grant. We have applied for the maximum \$500,000 with DLNR agreeing to provide the required match.

If we don't get the grant, we will need immediate help. The roof continues to leak onto people and objects, and a new leak was discovered during last month's heavy rains.

If we do get the grant, we are unsure of what will be found once the slate is removed. Will it cost more than one million dollars? The Barracks roofing went nearly \$150,000 over budget. That was a smaller roof.

This bill would provide the money needed to cover those potential problems. And there are other needs. Including;

- The etched glass windows that were vandalized several years ago have yet to be replaced. The only person known who does the specialized etching has given us a cost of \$81,500.
- The Palace windows and entry doors need refinishing and repainting before the wood starts rotting. That estimate is \$77,930.
- The tulip light sconces on all the lanai need to be repaired and rewired. The current estimate is \$124,578.

Recently a chunk of metal fell from one of the capitols-those are the decorative tops of the columns. Luckily, no one was hurt. There is no estimate yet on how that can be fixed.

The list goes on. It is an icon that deserves to be protected and preserved, and shared.

Mahalo for your consideration. If passed, this bill would allow The Friends of Iolani Palace to continue its 55 year journey of preserving Iolani Palace for Hawaii and the world.

Aloha,

Paula Akana

HB-1193

Submitted on: 2/15/2021 5:59:14 PM

Testimony for CAI on 2/17/2021 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kawena Beaupre	Individual	Support	No

Comments:

I strongly support HB1193 which would fund capital improvement projects for Iolani Palace.

Iolani Palace is a National Historic landmark. It's historical and cultural value is immeasurable. The Palace is nearly 140 years old and there are many areas in need of repair including a leaky roof and HVAC system that regulates the temperature and humidity of the Palace. The Friends of Iolani Palace have the lease to preserve, maintain and operate the Palace. The organization has been devastated by the current pandemic. This bill would give them the funding they need to continue the admirable task of maintaining this amazing building.